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# SENATE CONCURRENT RESOLUTION

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REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY  
TO DETERMINE WAYS, OTHER THAN TAX INCENTIVES, TO ENCOURAGE  
EMPLOYERS TO PROVIDE AND PAY FOR LONG-TERM CARE INSURANCE  
AND INDIVIDUALS TO PURCHASE LONG-TERM CARE INSURANCE.

1 WHEREAS, the Legislature finds that a major barrier to the  
2 widespread availability and purchase of long-term care insurance  
3 by the public is its high cost; and  
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5 WHEREAS, the Legislature also finds that tax subsidies are  
6 one way to reduce the net price of long-term care insurance  
7 policies, making them more affordable; and  
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9 WHEREAS, tax incentives are expressed typically in two ways  
10 - through deductions, by which taxpayers subtract all or part of  
11 the cost of private long-term care insurance policies from their  
12 taxable income; and through tax credits, by which taxpayers  
13 receive a dollar-for-dollar credit against taxes owed, for the  
14 purchase of policies; and  
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16 WHEREAS, recently enacted health reform legislation will  
17 increase the threshold for deductibility of medical expenses  
18 from seven and one-half percent to ten percent, and since this  
19 provision is a deduction rather than a tax credit, the tax  
20 deduction for medical expenses is worth more to upper-income  
21 people than it is for moderate-income people who are in lower  
22 marginal tax brackets, and worth more to moderate-income people  
23 than it is to lower-income people; and  
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25 WHEREAS, it remains unclear whether or not tax incentives  
26 are the most effective and efficient ways to promote the  
27 purchase of private long-term care insurance; and  
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29 WHEREAS, options other than tax incentives should be  
30 identified to encourage the availability and purchase of  
31 affordable long-term care insurance options; now, therefore,



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2 BE IT RESOLVED by the Senate of the Twenty-sixth  
3 Legislature of the State of Hawaii, Regular Session of 2012, the  
4 House of Representatives concurring, that the Legislative  
5 Reference Bureau is requested to conduct a study to determine  
6 ways, other than tax incentives, to encourage employers to  
7 provide and pay for long-term care insurance and individuals to  
8 purchase long-term care insurance; and  
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10 BE IT FURTHER RESOLVED that the Legislative Reference  
11 Bureau is requested to seek the input of businesses on employer-  
12 supported, feasible methods to encourage employers to provide  
13 and pay for long-term care insurance; and  
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15 BE IT FURTHER RESOLVED that the Legislative Reference  
16 Bureau is requested to submit its findings and recommendations,  
17 including any proposed legislation, to the Legislature no later  
18 than twenty days prior to the convening of the Regular Session  
19 of 2013; and  
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21 BE IT FURTHER RESOLVED that certified copies of this  
22 Concurrent Resolution be transmitted to the Director of the  
23 Legislative Reference Bureau, Director of Health, and the Hawaii  
24 Long-Term Care Commission.

